

Office of Housing 2018 Annual Investments Report

Housing, Health, Energy & Workers' Rights
Committee



City of Seattle

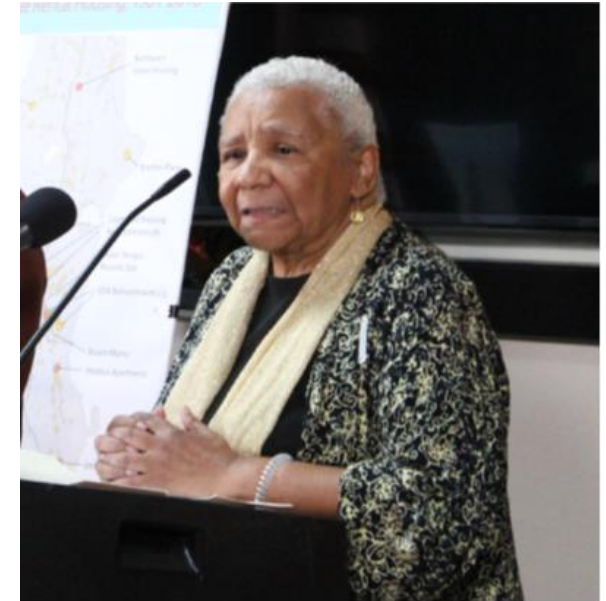
Presentation Overview

2018 activity and outcomes for a suite of Office of Housing programs

- Rental Housing & Homeownership Development
- Home Repair Program & Low-income Weatherization
- Mandatory Housing Affordability (MHA) & Incentive Zoning (IZ)
- Multifamily Tax Exemption Program (MFTE) (focused presentation in summer)

Available on OH Website: Overview Report and Attachments - Seattle Housing Levy , MHA/IZ, and MFTE

Providing Homes for our Neighbors

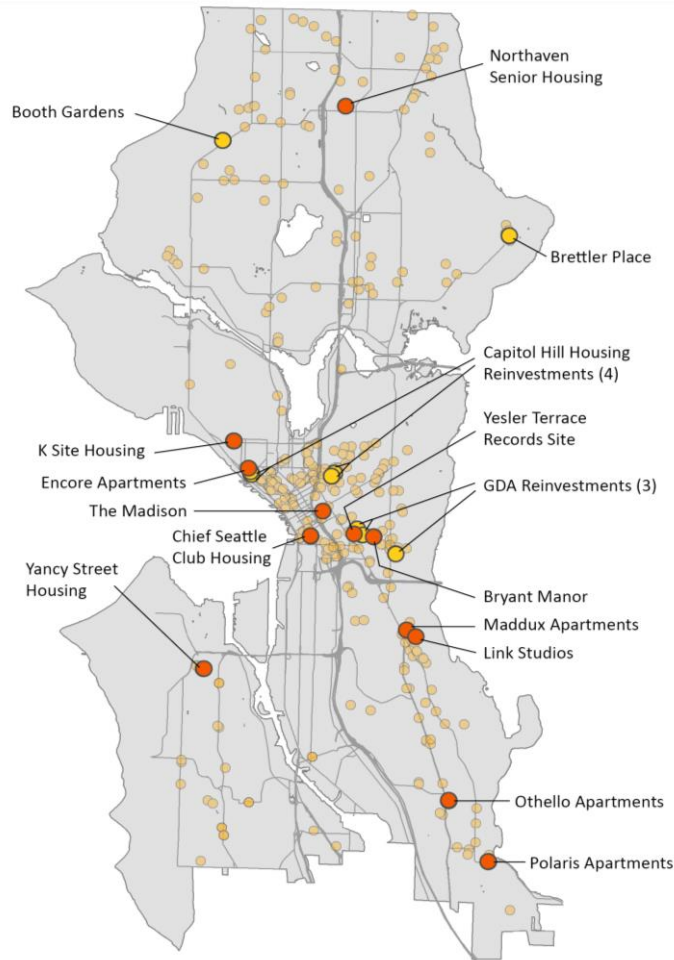


Building an Infrastructure of Equity & Inclusion

City-Funded Affordable Rental Housing

- 2018 Rental Investments (New)
- 2018 Rental Reinvestments (Rehabilitation)
- Previously Funded Rental Housing Portfolio

Source: Office of Housing (2019)



Community Focused Uses

Capitol Hill Housing and SCIDPDA, Yesler Family Housing



Chief Seattle Club, ?al?al Housing
Community Owned Spaces

Transit-Oriented Development



Mount Baker Housing Association, The Maddux

Delivering on the Housing Levy Promise

Levy Program	Funding		Housing Outcomes		Status: Meeting or Exceeding Goal
	7-year Levy Funding 2017-23	2-year Funds Committed 2017-18	7-year Levy Goals 2017-23	Housing / Household s 2017-18	
Rental Production and Preservation	\$201 M	\$57.26 M	2,150 units added	1,031	✓+
			350 units reinvestment	233	✓+
Operating and Maintenance ¹	\$42 M	\$15.4 M	510 units	Up to 308	✓
Homelessness Prevention / Housing Stability Services	\$11.5 M	\$3.3 M	4,500 households	1,622	✓
Homeownership ²	\$14.3 M	\$7.56 M	280 households	105	✓
Acquisition and Preservation ³	Up to \$30 M	\$28.2 M	NA	634	NA

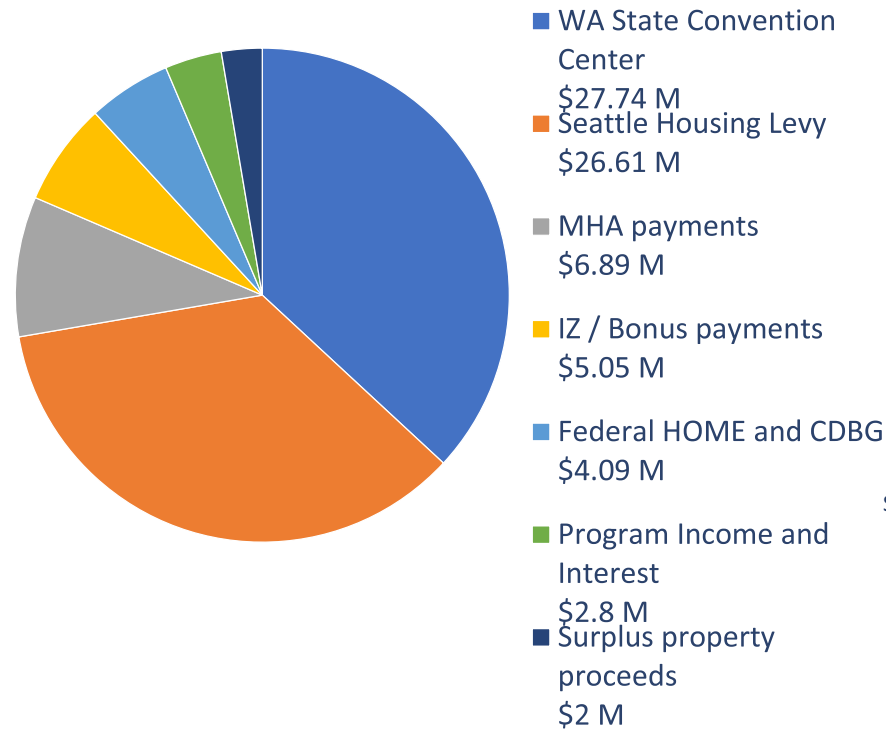
- Seattle Housing Levy – Two-Year Summary of Funding and Production
- Meeting or exceeding goals for all Levy programs



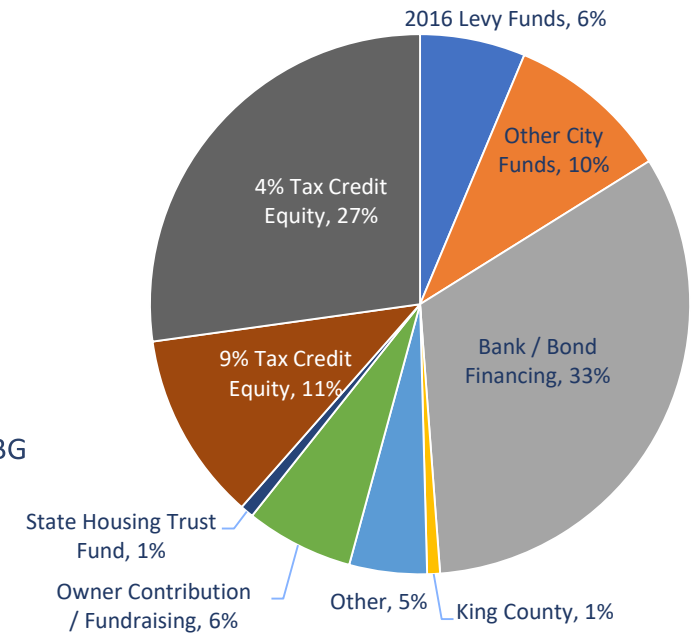
2018 Rental Housing Awards

- **Total New Unit Production:** 1,197
- **Total Developments:** 10 Buildings
- **Total City Investment:** \$68 million
- **Total Leveraged Resources:** \$5.20 in other public and private investment leveraged for each City dollar.
- **Reinvestment Units:** 231; additional investment of \$7 million

2018 Total City Investment
Rental Production



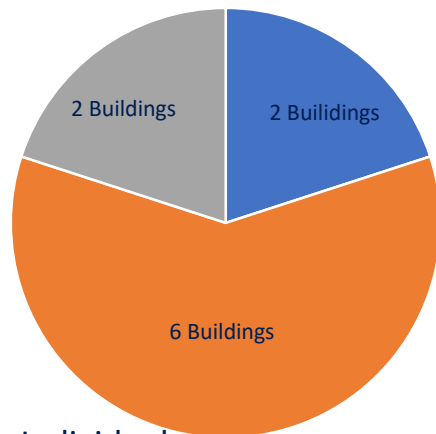
2018 Total Leveraged Resources
Rental Production



2018 Populations, Affordability, and Unit Sizes

Population

10 Projects / 1,197 Units



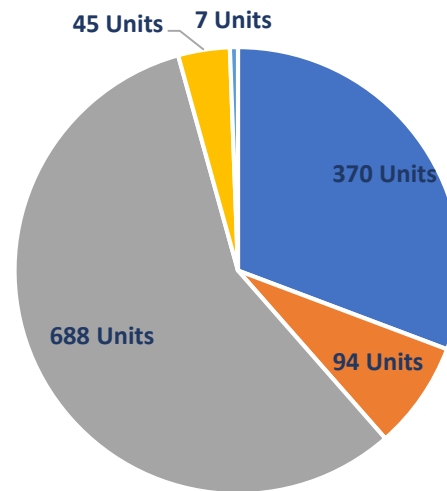
■ Homeless Individuals

■ Low Wage Working Individuals and Families

■ Seniors & People with Disabilities

Rental Affordability

10 Projects / 1,197 Units



■ < 30% AMI

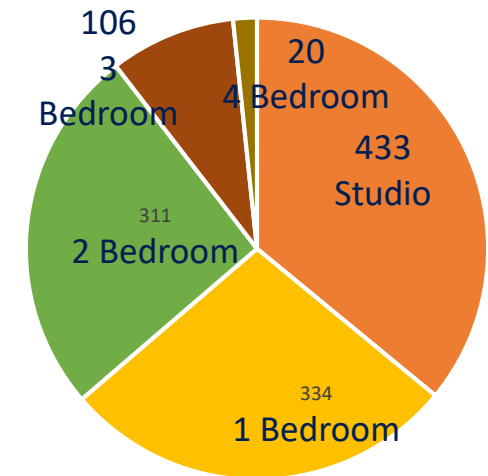
■ < 50% AMI

■ < 60% AMI

■ Non-City
Units

Unit Sizes

10 Projects / 1,197 Units



Solving Homelessness

Project Name <i>Project Sponsor</i> <i>Neighborhood</i>	Project Description	Total Funded Units	Total City \$ Capital Funding
Chief Seattle Club ?al ?al Housing <i>Chief Seattle Club</i> Pioneer Square	<ul style="list-style-type: none"> Construction of studio apartments to serve homeless and low-income individuals, with Native American focus Health care clinic, art gallery and retail 	80	\$5.8 M
K Site Housing <i>Plymouth Housing</i> Queen Anne	<ul style="list-style-type: none"> Construction of studio apartments to serve formerly homeless individuals on City-owned property Nonprofit arts studio organization and community space 	91	\$7.9 M



Plymouth Housing, K-Site



Stability for Seniors & People with Disabilities

Project Name <i>Project Sponsor</i> Neighborhood	Project Description	Total Funded Units	Total City \$ Capital Funding
Northaven Senior Housing <i>Northaven and HumanGood Affordable Housing</i> Northgate	<ul style="list-style-type: none"> Construction of 65 studios and 20 1-bedroom apartments for low-income seniors PACE health and social services center 	85	\$7.1 M
Yancy Street Housing <i>Transitional Resources</i> West Seattle	<ul style="list-style-type: none"> Construction of supportive housing serving homeless and low-income individuals with serious, persistent mental illness 	44	\$1.5 M



HumanGood, Northaven III



Transitional Resources, Yancy Street



Housing Low-Wage Working People & Families

Project Name Project Sponsor Neighborhood	Project Description	Total Funded Units	Total City \$ Capital Funding
Bryant Manor <i>FAME Housing Association</i> Central Area	<ul style="list-style-type: none"> Redevelopment of subsidized housing for families in 1, 2, 3 and 4-bdrm units Service, retail space 	95	\$2.4 M
Encore Apartments <i>GMD Development</i> Belltown	<ul style="list-style-type: none"> Construction of studio/1-bdrms for low-wage workers Street level retail 	60	\$6.5 M
Maddux Apartments <i>Mt. Baker Housing Association</i> Mt. Baker	<ul style="list-style-type: none"> Construction of studios, 1, 2, and 3-bdrm units for low-wage individuals and families Two buildings flanking a major arterial, neighborhood gateway with street level retail Substantial State-funded environmental cleanup 	165	\$12.7 M
Othello Apartments <i>Low Income Housing Institute</i> Othello	<ul style="list-style-type: none"> Construction of 1, 2, 3 and 4-bdrm apartments for individuals and families; income limits range from 30% to 60% AMI adjacent to a light rail station Construction innovations to expedite delivery and control costs 	92	\$8.2 M
Polaris Apartments <i>Inland Group</i> Rainier Beach	<ul style="list-style-type: none"> Construction of studios and 1, 2, 3-bdrm apartments for low-wage individuals and families Substantial scale accommodated in a two-building design with underground parking 20% of units set aside for people with disabilities 	327	\$9.9 M
Yesler Family Housing <i>Seattle Chinatown International District PDA and Capitol Hill Housing</i> Yesler Terrace	<ul style="list-style-type: none"> Construction of 1, 2, 3 and 4-bdrm apartments serving low-income families Seattle Housing Authority owned site Child care/early learning center 	158	\$6 M



2018 Stewardship

Project Name Project Sponsor Location	Project Description	Total Funded Units	Total City \$
Capitol Hill Housing Portfolio <i>Capitol Hill Housing</i> Various Locations	Renovation of four aging buildings that CHH acquired with OH financing over an eight-year span during the 1990s	124	\$5 M
GD Association Portfolio <i>GD Association</i> Central Area	Various life safety and structural upgrades to three properties: Alma Gamble, Aridell Mitchell Home, and Norman Mitchell Manor	40	\$1.0 M
Booth Gardens <i>Providence Health</i> Crown Hill	Upgrades to a 16-unit property with primarily 2-bedroom units	16	\$0.7 M
Brettler Family Housing <i>Solid Ground</i> Sand Point	Roof repairs for a 51-unit property comprising 2, 3, and 4-bedroom apartments	51	\$0.5 M
Total – Portfolio Preservation		231	\$7.2 M

2017-2018 Acquisition

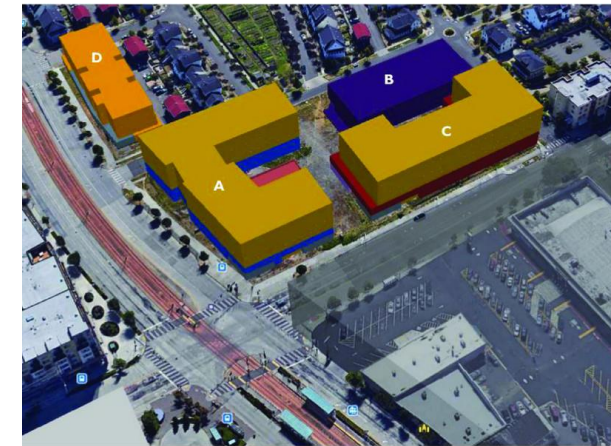
Project Name <i>Project Sponsor</i>	Description	Housing Units	Loan Amount	Status
Mt Baker Family Housing <i>Mercy Housing Northwest</i>	Site acquisition for rental housing for families, including homeless families	94	\$3.34 M	OH permanent financing 12/2017; Loan repaid 11/2018
Midtown Center <i>Capitol Hill Housing and Africatown CLT</i>	Site acquisition for rental housing, potential homeownership component, for families and individuals	134	\$4.5 M	Loan closed 10/2017
Encore Apartments <i>GMD</i>	Site acquisition for rental housing for families and individuals	60	\$4.57 M	Loan closed 2/2018
Madison Apartments <i>Southport Financial</i>	Acquisition and preservation of expiring tax credit building	73	\$7.1 M	Loan closed 7/2018
Link Studios <i>Mt. Baker Housing Assoc.</i>	Acquisition of affordable newly constructed micro-unit building	60	\$3.017 M	Loan closed 8/2018
Willow Crossing <i>GMD</i>	Acquisition of development site; OH permanent financing not anticipated	213	\$5.656 M	Loan closed 9/2018
TOTAL		634	\$28.174 M	



Mount Baker Housing Association, Link Studios

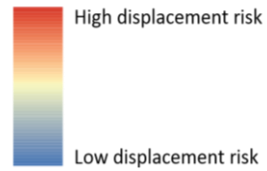
2018 Homeownership Development Awards

Project Name Project Sponsor Location	Project Description	Total Funded Units	Levy Units	Total City \$
Othello Square Building D <i>Homesight</i> Othello	Construction of the first City-funded limited equity cooperative, part of HomeSight's Othello Square campus near the Othello light rail station. The multifamily building includes 24 one-bedroom, 36 two-bedroom and 8 three-bedroom homes.	68	68	\$4.92 M
Home Purchases to Sustain Affordability <i>Habitat for Humanity</i> Various Locations	This funding will help Habitat convert Seattle homes from the down payment assistance model to a permanently affordable model. Funding award is based on anticipated sales of homes in 2019.	3	3	\$0.27 M



Furthering Fair Housing Choice

Displacement Risk Index



Manufacturing & Industrial Center

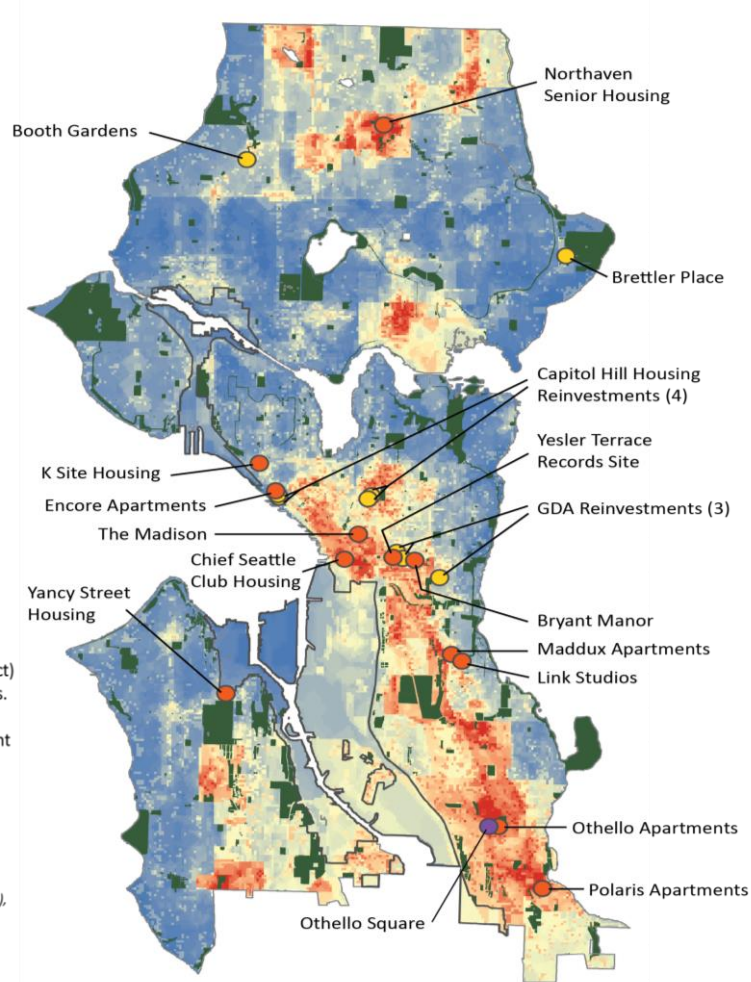
Park

- 2018 Rental Investments (New)
- 2018 Rental Reinvestments (Rehabilitation)
- 2018 Homeowner Projects (New)

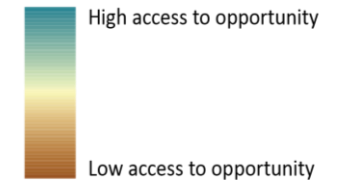
"The Displacement Risk Index focuses on both physical (direct) and economic and cultural (indirect) displacement that affects marginalized populations. By combining data on vulnerability, amenities, development potential, and rents, the displacement risk index identifies areas where displacement of marginalized populations may be more likely."

Office of Planning and Community Development
"Growth and Equity Analysis" Report (May 2016)

Sources: Office of Planning and Community Development (2016),
Office of Housing (2019)



Access to Opportunity Index



Manufacturing & Industrial Center

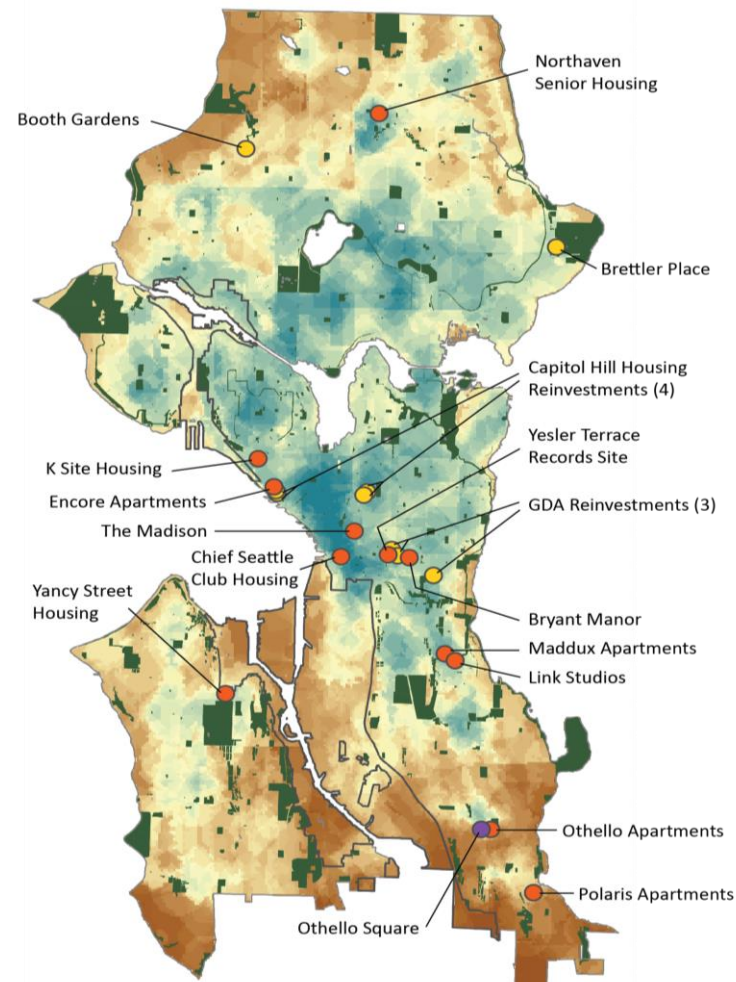
Park

- 2018 Rental Investments (New)
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- 2018 Homeowner Projects (New)

"The Access to Opportunity Index considers marginalized populations' access to key determinants of social, economic, and physical well-being. (...) The access to opportunity index includes measures related to education, economic opportunity, transit, civic infrastructure, and public health."

Office of Planning and Community Development
"Growth and Equity Analysis" Report (May 2016)

Sources: Office of Planning and Community Development (2016),
Office of Housing (2019)



City of Seattle

2018 Home Repair Awards

- Home Repair Grants & Loans
- 2018 Investment & Sources: \$797,800 invested, Seattle Housing Levy & CDBG

Homeowner Racial Demographics

- 47% White
- 18% Asian/ Pacific Islander
- 14% Black/ African American
- 12% Hispanic
- 9% Multi-racial



2018 Weatherization Awards

Multifamily: Energy & air quality improvements in **26 buildings**, serving **1,650 households**, operated by nonprofits, SHA and KCHA.

People of Color: 36% of residents for buildings reporting (886 households)

Low-income households (117 Households did not report):

- 50% Extremely Low-Income
- 39% Very Low-Income
- 5% Low-Income
- 2% Low-Income/Moderate Income

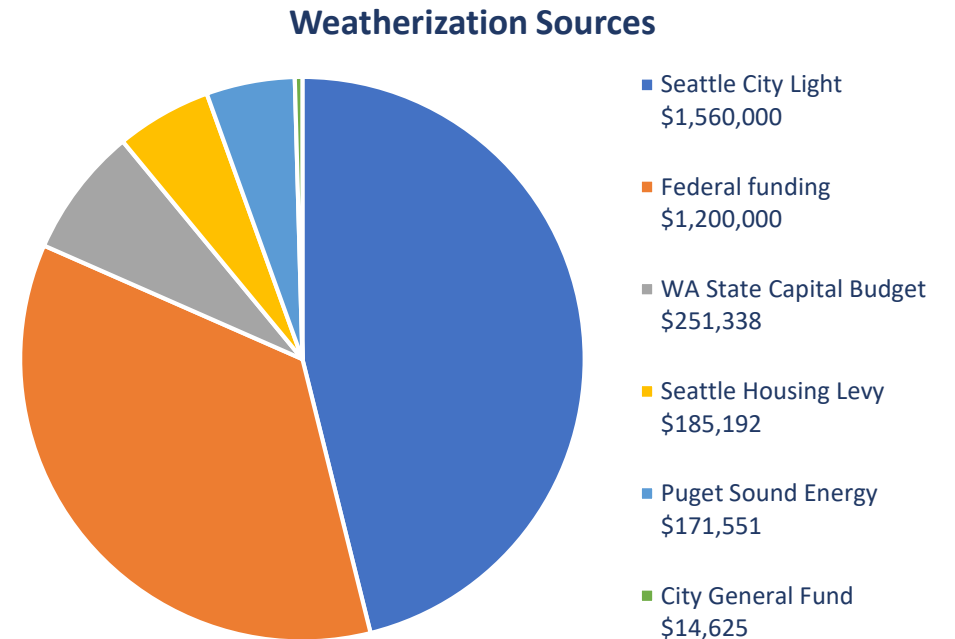
Single-Family: Energy & air quality investments in **101 single family homes**, predominantly owner-occupied. Grants improve health and quality of life, lower utility bills, and upgrade homes.

People of color: 23% of households reporting

Low income* households (19 households did not report):

- 20% Extremely Low-Income
- 27% Very Low-Income
- 18% Low-Income
- 34% Low-Income/Moderate Income

Older adults: 44%, at least one household 60 or older



Upcoming Challenges & Opportunities

- Permanent Supportive Housing production requires Operating & Maintenance funds
- Publicly Owned Land - Cost savings and Locational Access
- Strategic Site Acquisition
- Equitable Outcomes through Community Preference and Affirmative Marketing



Incentive Zoning

Incentive Zoning Performance Units: Placed in Service in 2018

Project Name & Address	IZ Performance Units	Affordability Level	Urban Center or Village
1. Dravus Apartments 1518 W Dravus St	3	80% AMI	n/a
1. Interbay Apartments 3230 16 th Ave W	18*	80% AMI	n/a
1. Gerrish Hall 1820 Boylston Ave	2*	80% AMI	Capitol Hill
Total	23		
<i>*These units, or a portion of these units, also count toward the development's requirements for the Multifamily Tax Exemption (MFTE) program.</i>			

Incentive Zoning Payments: Pledged, Collected, and Committed in 2018

Total payments collected in 2018 This number reflects the total amount of IZ payments received by OH in 2018, including deferred payments ¹ .	\$25,971,143
Total payments committed in 2018 This number reflects the total amount of IZ payments, including some payments collected in 2016, that were invested in affordable housing projects in 2018. An additional \$6,172,679 in IZ proceeds completed funding for several projects awarded in 2017. ²	\$5,054,862
<i>In addition to the committed funds here, IZ funds have been reserved for King County Metro Transit Oriented Development at Northgate, which had not yet been awarded as of December 31, 2018.</i>	

Mandatory Housing Affordability

MHA Performance

MHA Performance Units: Placed in Service in 2018

Project Address	MHA Performance Units Placed in Service in 2018	Affordability Level	Urban Village
1. 2220 E Union St	4	60% AMI	23rd & Union-Jackson
Total	4		

MHA Performance Units: Under Construction as of December 31, 2018

Project Address	MHA Performance Units Under Construction in 2018	Affordability Level	Urban Village
1. 5001 Brooklyn Ave NE	4	40% AMI	University District
2. 429 2nd Ave W	8	60% AMI	Uptown
3. 743 N 35th St	3	60% AMI	Fremont
Total	15		



5001 Brooklyn Ave. NE

Mandatory Housing Affordability Continued

MHA Payment Contributions: Pledged, Collected, and Committed in 2018

Total payments collected in 2018 This number reflects the total amount of MHA payments received by OH in 2018.	\$13,262,041
Total payments committed in 2018 This number reflects the total amount of MHA payments that were invested in affordable housing projects in 2018. All MHA payments were collected after 2018 funding awards were made, and thus will be committed in 2018. ¹	\$6,887,913 <i>In addition to the committed funds shown here, MHA funds have been reserved for King County Metro Transit Oriented Development at Northgate, which had not yet been awarded as of December 31, 2018.</i>



GMD, Encore



Inland, Polaris

Questions?



Home Repair Loan Program: Livable Space Pilot Expansion

HHEWR Committee

April 18, 2019



City of Seattle

Background

- SLI
- ADU Racial Equity Toolkit
- Executive Order 2019-02





Home Repair Loan Program

New Eligible Use: Increase Livable Space

- House additional family or community members
- Increase household stability by generating rental income



Anticipated Project Types



Community Outreach & Engagement

- RFP
- Serve 10 homeowners by end of 2020
- ½ of those served homeowners of color



Questions?

